



PRESS RELEASE

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INNATE PHARMA STRENGTHENS ITS PLATFORM IN THE PHARMACOLOGY OF TOLL-LIKE RECEPTORS WITH ASSETS LICENSED FROM CANCER RESEARCH TECHNOLOGY

Marseilles, France, June 20, 2007

Innate Pharma S.A. (the "Company"), a biopharmaceutical company developing new drug classes targeting innate immunity, today announced it has entered into a in-licensing agreement with the Cancer Research Technology Limited (CRT), the oncology-focused development and commercialisation company, on novel Toll like receptor (TLR) agent.

The agreement grants Innate Pharma exclusive and worldwide development and commercialisation rights to a panel of discovery stage toll-like receptor 7 (TLR7) modulators to which CRT has exclusive intellectual property rights. At Innate Pharma, the new project will be known as IPH 32XX.

Agents that modulate TLR7 have significant potential for anti-tumour therapy and for the treatment of autoimmune and infectious diseases. Toll-like receptors are found on cells of the immune system and usually play a role in recognising invading pathogens. In cancer therapy, TLR modulators can be used to stimulate the immune system to attack tumours by generating an influx of cancer-killing NK and T cells and the release of inflammatory mediators.

The TLR7 modulators were originally developed by Cancer Research UK-funded studies led by Dr Caetano Reis e Sousa and Dr Sandra Diebold at Cancer Research UK's London Research Institute. Innate Pharma will support a further programme of pre-clinical research into the agents in Dr Diebold's laboratory at King's College London.

CRT will receive an upfront payment, as well as development-based milestones and royalty payments on sales. Financial terms of the transaction were not disclosed.

Commenting on today's announcement, Dr Phil L'Huillier, CRT's Director of Business Management said: "*TLR7-targeting agents have great potential as cancer therapeutics. We're delighted that Innate Pharma will be supporting the next steps towards hopefully realising that potential.*"

François Romagné, Innate Pharma's EVP and CSO, said: "*We now have two active TLR programs (IPH 31XX, a TLR3 agonist, and IPH 32XX, a TLR7 agonist) that have similar chemistry and that will use the same pharmacological/development platform. In addition, we have a new active collaboration with two leading research institutes that will help us to develop new TLR tools and expertise. Our ambition to become a significant player in the field of TLR pharmacology is materializing.*"

Hervé Brailly, Innate Pharma's CEO and Chairman of the Executive Board, added: "*Consolidating our existing platforms of products by adding new programs from acquisition or in-licensing is part of our business strategy.*" He added: "*This new acquisition is not going to dramatically change our cash horizon, which was 3 to 4 years of cash on hand at the end of 2006.*"



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About Cancer Research Technology:

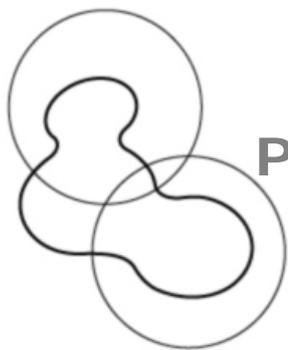
Cancer Research Technology Limited (CRT) is a specialist commercialisation and development company, which aims to develop new discoveries in cancer research for the benefit of cancer patients. CRT works closely with leading international cancer scientists and their institutes to protect intellectual property arising from their research and to establish links with commercial partners. CRT facilitates the discovery, development and marketing of new cancer therapeutics, vaccines, diagnostics and enabling technologies. CRT is wholly owned by Cancer Research UK, the largest independent funder of cancer research in the world. Further information about CRT can be found at www.cancertechnology.com

About Cancer Research UK:

Together with its partners and supporters, Cancer Research UK's vision is to beat cancer. The charity carries out world-class research to improve understanding of the disease and find out how to prevent, diagnose and treat different kinds of cancer. It ensures that its findings are used to improve the lives of all cancer patients. Cancer Research UK helps people to understand cancer, the progress that is being made and the choices each person can make. The charity works in partnership with others to achieve the greatest impact in the global fight against cancer. For further information about Cancer Research UK's work or to find out how to support the charity, please call 020 7009 8820 or visit www.cancerresearchuk.org

About King's College, London:

King's College London is the fourth oldest university in England with approximately 13,700 undergraduates and 5,600 graduate students in nine schools across five London campuses. The College has had 24 of its subject-areas awarded the highest HEFCE rating of 5* and 5 for research quality and it is home to five Medical Research Council Centres, more than any other university. King's has a particularly distinguished reputation in the humanities, law, social sciences, natural sciences, biomedicine and nursing, and has played a major role in many of the advances that have shaped modern life, such as the discovery of the structure of DNA.



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About Innate Pharma:

Founded in 1999 and funded by reference venture capitalists up to its IPO on Euronext in Paris in 2006, Innate Pharma S.A. (Euronext Paris: FR0010331421 – IPH) is a biopharmaceutical company developing first-in-class* drugs targeting innate immunity.

The pioneering work of Innate Pharma's scientific founders and research groups has led to the development of three product platforms (gamma delta T cells, NK cells and TLR), each directly or indirectly validated in clinical oncology settings.

Besides cancer, Innate Pharma's drug candidates have development potential in the treatment of infectious disease and chronic inflammation. The company's most advanced molecule is in Phase II clinical trials in cancer.

With its strong scientific position in innate immunity pharmacology, its robust intellectual property portfolio and its R&D expertise, Innate Pharma intends to become a leading player in the rapidly growing immunotherapeutics market.

Based in Marseilles, France, Innate Pharma had 74 employees as at March 31, 2007.

Learn more about Innate Pharma at www.innate-pharma.com

Practical Information about Innate Pharma shares:

ISIN code FR0010331421
Ticker code IPH

Disclaimer:

This press release, and the information contained herein, does not constitute an offer to sell or a solicitation of an offer to buy or subscribe for shares in Innate Pharma in any country.

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* with new mechanisms of action.